



**Public Hearing Testimony of
Scott Jackson, Commissioner
Department of Labor
Labor and Public Employees Committee
March 8, 2016**

Good Afternoon Senator Gomes, Representative Tercyak, Senator Hwang, Representative Rutigliano and members of the Labor and Public Employees Committee. Thank you for the opportunity to provide you with testimony regarding **House Bill No. 5591, AA Creating the Connecticut Retirement Security Program**. My name is Scott Jackson and I am the Commissioner of the Department of Labor.

The Department of Labor (DOL) will not dispute the importance of saving for retirement, and even more so, the importance of easy access to a retirement savings program for all of Connecticut's residents. However, this is a major new initiative that gives DOL additional enforcement responsibilities. As required in this bill, if an employer fails to enroll a covered employee or fails to remit contributions in a timely manner, the employee may file a complaint with DOL and then DOL or the employee may bring a civil action. DOL would also have the responsibility to assess civil penalties for the employer's failure to remit the contributions.

DOL does not have the funding or the staff structure to undertake the work outlined in the bill. Currently, approximately 102,000 employers are required to report for unemployment insurance purposes to DOL. The vast majority of those employers, approximately 90 percent, report fewer than 25 employees and are firms less likely to have approved retirement plans and are therefore potentially covered by this bill. That group of employers report approximately 525,000 employees annually. In order to respond to increased enforcement activity, CTDOL would need two additional investigators in the Wage and Workplace Standards Division and would allocate one half position at the level of staff attorney in the Program Policy Division. Therefore, DOL must respectfully oppose this bill, as written.

Thank you for the opportunity to provide this testimony.